

**DEPARTMENT
POLICY****MA Only**

Medicare Savings Programs are SSI-related MA categories. They are neither Group 1 nor Group 2.

This item describes the three categories that make up the Medicare Savings Programs. The three categories are:

1. Qualified Medicare Beneficiaries (QMB).

This is also called full-coverage QMB and just QMB. Program group type is QMB.

2. Specified Low-Income Medicare Beneficiaries (SLMB).

This is also called limited-coverage QMB and SLMB. Program group type is SLMB.

3. Q1 Additional Low-Income Medicare Beneficiaries (ALMB).

This is also referred to as ALMB and as just Q1. Program group type is ALMB.

There are both similarities and differences between eligibility policies for the three categories. Benefits among the three categories also differ.

Income is the major determiner of category.

QMB	Net income cannot exceed 100% of poverty.
SLMB	Net income is over 100% of poverty, but not over 120% of poverty.
ALMB (Q1)	Net income is over 120% of poverty, but not over 135% of poverty.

A person who is eligible for one of these categories **cannot** choose to receive a different Medicare Savings Program category. For example, a person eligible for QMB **cannot** choose SLMB instead.

All eligibility factors must be met in the calendar month being tested.

MEDICARE SAVINGS PROGRAMS BENEFITS

QMB Benefits

QMB pays:

- Medicare premiums, and

Note: QMB pays Medicare Part B premiums and Part A premiums for those few people that have them.

- Medicare coinsurances, and
- Medicare deductibles.

SLMB Benefits

SLMB pays Medicare Part B premiums.

ALMB Benefits

ALMB pays Medicare Part B premiums provided funding is available.

MEDICARE AND BUY-IN INFORMATION

See BAM 810 for general information about Medicare and information about the Buy-In program.

WHEN TO DO MEDICARE SAVINGS PROGRAMS DETERMINATIONS

Separate Medicare Savings Programs Determination

Complete a Medicare Savings Program determination for the following clients if they are entitled to Medicare Part A:

- Medicare Savings Programs-only.
- Group 2 MA (FIP-related and SSI-related).
- Extended Care (BEM 164).

- Healthy Kids.

Note: The individual who is eligible for MA under any of these categories does not have to request a determination of MSP eligibility or re-apply for MA in order to be reviewed for MSP eligibility by the department.

Automatic QMB

Person's receiving MA under the following categories and entitled to Medicare Part A are considered QMB eligible without a separate QMB determination:

- BEM 110, Low-Income Families and FIP recipients.
- BEM 111, Transitional MA.
- BEM 113, Special N/Support.
- BEM 150, SSI Recipients.
- BEM 154, Special Disabled Children.
- BEM 155, 503 Individuals.
- BEM 158, DAC.
- BEM 163, AD-Care.

MSP Determinations When Requested by CMS

The Centers for Medicare and Medicaid Services (CMS) may ask MDHHS to review eligibility for, and addition of, MSP coverage for a timeframe when there was no Medicare Cost Share approved. The central office Buy-In Unit at MSA will contact the field office to ask that a determination of the recipient's eligibility for MSP during that timeframe be completed and to update the case record to add the MSP coverage if the recipient is eligible.

MEDICARE SAVINGS PROGRAMS COVERAGE BEGIN DATES

QMB Begin Date

Begin QMB coverage the calendar month after the processing month. The processing month is the month during which an eligibility determination is made. QMB is **not** available for past months or the processing month.

SLMB Begin Date

SLMB coverage is available for retro MA months and later months.

Note: SLMB is only available for months income exceeds the QMB limit. A person **cannot** choose SLMB in place of QMB in order for coverage to start sooner (example, to get retro MA).

ALMB Begin Date

ALMB coverage is available for retro MA months and later months; however, not for time in a previous calendar year.

ALMB and Previous Year Limit

Do **not** approve ALMB for any month that is in a previous calendar year, even if application was made in the previous calendar year.

Example: Application was made December 27, 2015. Eligibility was determined on January 3, 2016. ALMB **cannot** be approved for any time before January 1, 2016.

MEDICARE SAVINGS PROGRAMS INQUIRY

A person may wish to know whether MA will pay Medicare premiums before enrolling in Medicare. The person may even contact the department before reaching age 65 (example, during the three months before the person's 65th birthday).

Advise persons listed under Automatic QMB above that MA will pay their Medicare premium.

Do a determination of eligibility for all other persons. In doing this determination:

- Explain the nonfinancial eligibility factors. Assume they will be met.
- Use current information to determine financial eligibility. Do **not** ask for verification.
- Explain that changes may affect the actual determination of eligibility. Be sure to discuss asset policy thoroughly if the person's assets exceed the limit.

- There is no need for a person to make a separate application or a re-application for an MSP determination. A Health Care Coverage application would be used for an MSP only determination.

NONFINANCIAL ELIGIBILITY FACTORS

Entitled to Medicare Part A

The person must be entitled to Medicare Part A. That means something different for QMB than it does for SLMB and ALMB.

Entitled to Medicare Part A for QMB

For QMB, entitled to Medicare Part A means the person meets condition 1, 2 or 3:

1. Is receiving Medicare Part A with no premium being charged.

Note: A premium is being charged even when it is being paid by the Buy-In program.

BENDEX and State Online Query (SOLQ) indicate whether a Medicare Part A premium is being charged.

2. Refused premium-free Medicare Part A.

Suffix. Claim number suffix is always M1.

3. Is eligible for, or receiving, Premium HI (Hospital Insurance).

Premium HI is what the Social Security Administration calls Medicare Part A when it is **not** free of charge.

Suffix. Claim number suffix is M.

Exception: Medicare Part A under section 1818A of the Social Security Act does **not** meet this eligibility factor; see Part A Identification in this item.

Entitled to Medicare Part A for SLMB and ALMB

For SLMB and ALMB, entitled to Medicare Part A means the person is receiving Medicare Part A with no premium being charged.

BENDEX and SOLQ indicate whether a Medicare Part A premium is being charged.

A premium is being charged even when it is being paid by the Buy-In program.

Exception: Medicare Part A under section 1818A of the Social Security Act does **not** meet this eligibility factor; see Part A Identification in this item.

ALMB and Other MA

A person is **not** eligible for ALMB if the person is eligible for and receiving MA under another category. However, for deductible clients:

- Persons in active deductible status are **not** considered eligible for another MA category, and
- Persons identified as ALMB eligible at the time they report meeting their deductible remain ALMB eligible.
- Persons who change to a nursing home status Level of Care (LOC 02), Freedom to Work, or a waiver (LOC 22) are not eligible for ALMB.

Persons who are eligible for MA benefits under another category, but do **not** want such assistance can be eligible for ALMB. Persons can receive QMB or SLMB and full Medicaid benefits under another category.

Other Nonfinancial Factors

The MA eligibility factors in the following items must be met:

- BEM 220, Residence.
- BEM 221, Identity.

- BEM 223, Social Security Numbers.
- BEM 225, Citizenship/Alien Status.
- BEM 255, Child Support.
- BEM 256, Spousal/Parental Support.
- BEM 257, Third Party Resource Liability.
- BEM 265, Institutional Status.
- BEM 270, Pursuit of Benefits.

Part A Identification

Absent evidence to the contrary (example, SSA document), use the following guidelines to distinguish between Medicare for Medicare Savings Programs and Medicare under section 1818A of the Social Security Act.

- There is no charge for the person's Medicare Part A - Medicare Savings Program.
- The person is at least age 65 - Medicare Savings Programs
- The person is under age 65 and there is a premium charged for Medicare Part A -**not** Medicare Savings Programs; see BEM 169, Qualified Disabled Working Individuals.

BENDEX and SOLQ indicate whether a Medicare Part A premium is being charged. Even if the BENDEX or SOLQ only indicate there may be entitlement for part A, a determination of MSP eligibility should be completed. See Part B Eligibility in this item,

Part B Eligibility

Individuals who receive Medicare part A (free or with a premium) but do not show receipt of part B, may not show part B coverage in Bridges because they refused it.

Because it is advantageous for the state to enroll every person who is entitled to MSP into the program, a determination of eligibility should be made even if a person shows only entitlement for Medicare part A.

FINANCIAL ELIGIBILITY FACTORS

Groups

Use fiscal and asset group policies for SSI-related groups in BEM 211.

Assets

Countable assets **cannot** exceed the limit in BEM 400. Countable assets are determined based on MA policies in BEM 400, 401 and 402.

Divestment

Policy in BEM 405 applies to QMB because there could be a Medicare coinsurance or deductible for LTC or home and community-based services.

Income Eligibility

Income eligibility exists when net income is within the limits in RFT 242 or 247. Income eligibility **cannot** be established with a patient-pay amount or by meeting a deductible.

Determine countable income according to the SSI-related MA policies in BEM 500, 501, 502, 503, 504 and 530, **except** as explained in COUNTABLE RSDI in this item. Apply the deductions in BEM 540 (for children) and 541 (for adults) to countable income to determine net income.

COUNTABLE RSDI

Federal law requires that for January, February and March:

- The RSDI cost-of-living increase received starting in January be disregarded for fiscal group members, and
- The income limits for the preceding December be used.

For all other months, countable RSDI means the countable amount for the month being tested.

For all other persons whose income must be considered, the RSDI cost-of-living increase is **not** disregarded.

Countable RSDI

Enter countable RSDI for the month being tested. When the month being tested is January, February or March Bridges will automatically:

- Computes and deducts the RSDI cost-of-living increase for fiscal group members, and
- Uses the limits for the preceding December.

Note: An ex parte review (see glossary) is required before Medicaid closures when there is an actual or anticipated change, unless the change would result in closure due to ineligibility for all Medicaid. When possible, an ex parte review should begin at least 90 days before the anticipated change is expected to result in case closure. The review includes consideration of all MA categories; see BAM 115 and 220.

**VERIFICATION
REQUIREMENTS**

Verification requirements for all eligibility factors are in the appropriate manual items.

**Annual
Redetermination**

A redetermination of ALMB eligibility must be completed before the end of each calendar year. Set the ALMB redetermination date as September, October, November or December. ALMB cannot have a 24 month certification.

MEDICARE PART A

Answer the Medicare Part A question on SSI-related MA in Bridges based on the following:

- 1- Receiving Medicare Part A with no premium being charged.
- 2- Refused premium-free Medicare Part A. Claim number suffix is M1.
- 3- Entitled to buy Medicare Part A. The Social Security Administration calls this Premium HI. Claim number suffix is M.

Enter countable RSDI for the month being tested. The RSDI cost-of-living increase for fiscal group members will be deducted

automatically if the month being tested is January, February or March.

Enter the person's claim number on the Recipient Information Screen when it is requested. It will then be printed on any memo generated for the Buy-In coordinator.

NOTIFICATION

Email the beneficiary information to the Buy-in Coordinator at Buyinunit@michigan.gov when retro buy-in has been approved and indicate retro buy-in in the subject line.

LEGAL BASE

Social Security Act sections:

- 1902(a)(10)(E)(i) for QMB.
- 1902(a)(10)(E)(iii) for SLMB.
- 1902(a)(10)(E)(iv) for ALMB.
- 1902(r)(2).
- 1905(a) for retro MA.
- 1933 for ALMB funding.